NeXT SOFTWARE, INC. CORPORATE BACKGROUNDER

BUSINESS

NeXT Software, Inc. provides proven technologies, products and services for developing business-critical applications for deployment on the Internet and over corporate networks. NeXT's products help organizations quickly develop and deliver new generations of business services to consumers, business customers and employees by shortening development cycles and leveraging existing applications and corporate data repositories. The products enable quick response to technology changes and reduced development risks by supporting industry standards and mainstream programming languages and computing platforms, including Windows NT and UNIX.

In addition to the sale of application development tools, NeXT supports organizations with expert professional services to assist with system design, set-up, and deployment.

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HISTORY

- Founded in September 1985 as NeXT Computer, Inc. by Steven P. Jobs, co-founder of Apple Computer, Inc., and five Apple senior managers.
- From 1985 1989 developed and marketed the NeXTcube (formerly the NeXT Computer) and NeXTstation product family. This included the NEXTSTEP operating system created for developing and deploying object-oriented applications for machines from such names as Sun Microsystems, Hewlett-Packard and Intel
- By 1992, according to analyst firm International Data Corporation (IDC), NeXT became the fourth largest domestic supplier of UNIX workstations in the United States.
- February 1993, company ceased manufacturing the NeXTcube and NeXTstation and announced it would focus on developing industry standard object-oriented software for mainstream computer platforms.
- November 1993, decided to "open" NEXTSTEP and introduced OPENSTEP, an API based on NeXT's
 advanced object technology that allows portability of applications regardless of the underlying
 operating system or hardware.
- 1993, made a commitment to provide customers with professional services to assure satisfaction with NeXT products throughout the application development/deployment lifecycle.
- 1994, NeXT shipped Enterprise Objects Framework, a breakthrough technology that integrates NEXTSTEP-based object-oriented applications with data from leading relational databases.
- 1995, increased market share to become the third largest supplier of object development tools,

preceded by Microsoft and Borland International, neither of which focused exclusively on object-oriented technology.

- 1995, leveraging its market position, unveiled WebObjects, its solution for building robust server-based applications for the World Wide Web.
- December 1995, changed company name to NeXT Software, Inc.
- July 1996, unveiled OPENSTEP Enterprise, an object-oriented environment to assemble, integrate, and universally deploy dynamic business applications across the Enterprise.
- October 1996, shipped third release in a year of WebObjects and unveiled its strategy to support Sun's Java programming language.
- December 1996, had licensed WebObjects to more than 275 customers and deployed applications in more than 35 leading companies worldwide.
- February, 1997, acquired by Apple Computer to strengthen Apple's offerings of development software for the enterprise and Internet, and to enrich the Apple user's experience with a high-performance operating environment.

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INDUSTRY DIRECTION

Recently, the World Wide Web has grown to become a viable medium for the universal execution of business-critical applications. As a result, organizations are demanding that emerging industry standards for applications, communication and operating systems allow enterprise applications to "interoperate" in order to share business logic and data -- regardless of where applications are running. In fact, the re-integration of disparate systems and the desired interoperabilty has surfaced as one of the most critical IT problems facing companies today. Visionary companies such as NeXT, poised to offer this sought-after solution through object-oriented technology, stand to profit greatly from this trend.

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OBJECT TECHNOLOGY

Objects let developers create small, reusable components that may be configured in different ways to quickly build applications, much like prefabricated parts on an assembly line. Objects can be easily assembled, reused in new applications and maintained. When an application needs greater functionality, a new component can be added without rewriting the entire application. Objects may be distributed across a network and the same object may be shared by several applications. In an industry accustomed to long, expensive development cycles, the shift toward building, sharing and reusing objects -- or even buying off-the-shelf objects -- promises to save time and money.

Throughout the world, object-oriented applications are becoming the model by which companies achieve a competitive advantage through information technology. Currently, more than half of all Fortune 1000 companies are developing or deploying object-based software, a 300 per cent increase from just three years ago.

These companies are building networked applications that integrate existing applications and data repositories. NeXT's object-oriented software ensures that this transition will produce open, flexible, scalable and secure applications, the components of which can be reused in future development efforts.

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BUSINESS STRATEGY

NeXT Software offers industry-standard technology for developing dynamic networked applications that integrate existing web, client/server, databases and mainframe systems. To achieve this, NeXT's products and services deliver the following benefits:

- Support flexible, dynamic computing services;
- Shorten development time;
- Provide scalability;
- Integrate and revitalize existing applications;
- Support dominant industry platforms and technologies;
- Offer security and reliability.

NeXT leverages its knowledge of existing technology to pursue new business opportunities in emerging web-based enterprise systems. In addition, NeXT continues to target business-critical applications in a variety of vertical markets to offer customized and pre-built application modules.

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SALES & MARKETING

NeXT's products are sold directly worldwide through its sales force and the World Wide Web, and through value-added resellers (VARs) and systems integrators. NeXT supplements its product sales through an extensive professional services organization.

NeXT has a strong presence in vertical markets including financial, telecommunications, entertainment, government and manufacturing. Customers include industry leaders such as AT&T Wireless, Dell Computer, Fannie Mae, Merrill Lynch, Nissan Motor Co., U.S. Navy, The Sharper Image and U.S. Postal Service. With more than 2500 software customers and 450 services customers since becoming NeXT Software, the company has worked to create a strong base from which to grow its direct and indirect channels business.

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PRODUCTS

NeXT products provide open development environments for building and deploying object-based applications for Windows NT, UNIX desktops and the Web. These environments are compatible with Java, ActiveX and most major browser plug-ins.

WebObjects

The WebObjects product line is an open development platform for rapidly deploying dynamic web applications that leverage existing data and business logic across the enterprise. Companies have used WebObjects to build a wide range of electronic Internet commerce solutions, such as online catalogs and pizza ordering to robust applications, such as order management, workflow or customer service on a corporate intranet and business to business extranet applications.

OPENSTEP Enterprise

OPENSTEP is an open development environment that uses rapid development techniques and reuses enterprise-wide objects for assembly, integration and deployment of dynamic client/server business applications. The OPENSTEP product line allows companies to develop distributed client/server applications, ranging from bank trading and portfolio management to customer service systems.

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PROFESSIONAL SERVICES

NeXT's professional services organization provides systems engineering, education, technical support and software maintenance. The company's Engineering Services program works to assure the success of the customer's application development effort by providing expertise in design, development and implementation through the various systems. Educational Services offers technical software training for customers and strategic partners through classes and multi-week training programs: Object Learning Solution and Web Learning Solution. NeXT's Technical Support department provides upgrades and tech support for customers and alliance partners, as well as annual maintenance packages.

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